

ABSTRACT OF THE DISCLOSURE

This specification discloses a web trading method for reducing stocking costs. This is achieved mainly by establishing a real-time material supply trading procedure with a materials supplier through a web trading system. The invention includes the following steps.

- 5 A forecast order containing a material forecast demand is sent from a purchaser to a materials supplier. The materials supplier temporarily stores materials according to the material forecast demand in the storage of the materials supplier. The purchaser can timely send out a real-time demand order containing material real-time demands to the materials supplier according to the production demands to ask the materials supplier to provide the material
- 10 real-time demands accordingly. At the moment, the materials supplier retrieves the real-time material quantities required in the real-time demand order from its storage and sends them to the purchaser. After the materials being verified by the purchaser, a material payment action is made by the purchaser. Through this material purchasing procedure, some materials stocking costs on the purchaser are transferred to the materials supplier, thus lowering the
- 15 costs on the purchaser for storing materials.